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## **Senate passes legislation reducing Single Business Tax on health benefits**

**Lansing** - The Senate today passed legislation introduced by Sen. Tom George (R-Texas Twp) reducing taxes small businesses pay when providing healthcare benefits for employees.

Part of the compromise reached on the budget between the governor and the Senate, Senate Bills 672 and 673 will reduce the taxes paid by employers on healthcare benefits under the state's Single Business Tax by 20 percent in 2005 and an additional 20 percent in 2006

"This removes a disincentive businesses face when providing health insurance to their employees," George said. "We want to encourage businesses to provide health care coverage, not punish them. This opens the door for providing greater healthcare benefits for working families."

Sen. George said the \$15 million in savings for 2005 and 2006 can be used by businesses to invest in jobs and employees.

Senate Bill 673 and 672 passed the Senate with unanimous bipartisan support. The bills now go to the House for consideration.

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**Comments from Sen. George on the SBT health benefits are available for download on the Senate Majority Audiowire at [www.senate.michigan.gov/gop](http://www.senate.michigan.gov/gop) or by calling the radio hotline at 517-373-4000.**